before.It is not true that we are trying to ignore that area. We are definitely trying to get people from the East and also promoting the Eastern part of our country. We have tried to promote the Buddhist circuit which has very important pilgrim centres and we also signed loans with the OECF and the work is going on in UP., Bihar and Andhra Pradesh also. And, as far as having hotels is concerned, one thing I would like to mention here and it is that the Members must appreciate that Tourism is a State subject. It is primarily the work of the State Government to promote tourism. We in the Department of Tourism do give a certain amount of financial assistance and we have not over-looked the East in any way. I can assure you that we will do whatever is possible to promote tourism in the East from within the country and outside.

MR. CHAIRMAN: QuestionNo. 343, Shri VirenJ.Shah.

Contract with Carey Limousine N.Y. Inc. by Air India

*343. SHRI VIREN J. SHAH:†
SHRI PRAMOD MAHAJAN:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it is a fact that Air India has a contract with Carey Limousine, N.Y. Inc. for providing limousine service to passengers in New York and elsewhere;

(b) whether competitive bids were invited for limousine service in New York and elsewhere and if so, whether this was the best offer;

(c) whether it has been brought to the notice of Government that Carey Limousine N. Y. Inc. charge Air India $ 75 per trip for this service from New York city to JFK Airport;

(d) whether it is a fact that an individual can get such service for $ 35 or even less and if so, what are the details in this regard;

(e). what are the reasons for which nearly 2.5 times the rate i« being given to Carey Limousine N.Y., Inc; and

†The Question was actually asked on the floor of the House by Shri Viren J. Shah:

(f) what steps Government propose to take to save this avoidable additional outflow from Air India?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (f) A statement is laid on the Table of the Sabha.

Statement

(a) Air India has agreement with Carey International for providing Limousine Service to members of the Maharaja Club at New York and other selected destinations in its network.

(b) Comparative rates were ascertained, scrutinised and negotiated, for the Limousine Service at New York and other destinations.

(c) No, Sir, Such decisions are taken by Air India on commercial consideration.

(d) According to the information available, the total taxi fare from New York city (Manhattan) to JFK Airport would be $ 48 to $53 including Taxes/Tolls and Tips depending upon the point of origin.

(e) and (f) According to Air India Carey International provides a very high quality and upmarket service with the latest models of limousines in immaculate condition. Air India has made arrangements, through Carey International to provide high quality, personalised service to its passengers who include Chief Executives of Companies, Export Houses, Banks and Public Sector Undertakings to attract high yield traffic, who, otherwise travel by some other airline.

SHRI VIREN J. SHAH: Mr. Chairman, Sir, may I draw the attention to the question and the reply which is laid on the Table, except the (a) part which is a factual statement? In (b), (c), (d), (e) and (f) I think, there are a lot of factual inaccuracies. I want to submit that from my own experience, I ask this question, and I want to give the details to the hon. Minister so that he can verify. I am not attributing any *mala fides* to Air India. But when I find that 75 dollars per trip are being given, when one could get if for 35 dollars, I want the Government and Air India to look into it. That is number one. On June 12,1 went by a Limousine from Manhattan

to JFK airport. Please make a note on 12th June. So, did I, on 14th July. Both times the Carey service was to come. They did not come. I went by a Iimo for which I paid 35 dollars which was then reimbursed by Air India's person, Mr. Yodh, at the airport. It was 35 dollars. Your answer in part (d) is not correct. It was not 48 dollars or 53 dollars. It was 35 dollars which included tolls, taxes, tips and everything, including my baggage. On July 14, when my wife and I went, again this Carey service did not come. So, we took a taxi. Four suit cases and two of us, it cost us exactly 35 dollars which was again paid by Mr. Shamrao, Manager of Air India at New York JFK airport. My question, therefore, is, without attributing any *nala fides,* particularly when competition is very keen, when Air India negotiates a contract and when they are doing it with an American company—which may also be having its affiliates in Geneva, Paris and London—why is it that they are paying 75 dollars when a private individual can get identical service at 35 dollars? You say high quality, upmarket. With great respect, I say there is no difference. For a Limousine by which I went, I paid 35 dollars. I went by another Limousine from New York to New Jersey. There is no difference in the quality of service. Perhaps the hon. Minister may like to verify this information to save money to the country. Instead of 75 dollars, it could be negotiated for 35 dollars or less. So, what steps will the hon. Minister take to see that the system is so changed, of negotiations, of inviting tenders, of deciding and negotiating, that you get the best price?

SHRI GHULAM NABI AZAD: Sir, as far as this service is concerned, it is not being provided to all the passengers. This is being provided to a particular class which is using the Maharaja...

SHRI VIREN J. SHAH: That is not relevant. To whomsoever we are doing, it must be at a proper price.

SHRI GHULAM NABI AZAD: The impression should not go that even the economic class passenger has to pay this much amount. The impression should go that a particular class is using this. Otherwise, the impression will go that even the economic class passengers have to pay this much amount So, this particular type of Limousine service is being provided to only the first class and executive class passengers, having the Maharaja Club ticket. So, I have checked up with Air India the competitive rates, which were ascertained and scrutinised and then the decision was taken. So, I have with me, provided by Air India, the rates of about 7 to 8 Limousine cars. The Carey Limousine N.Y. Incorporated, which the hon. Member has mentioned, charges about 77 dollars and not 75 dollars which the hon. Member has said, whereas the Cutt Transportation charges 48 dollars, the Tomcar charges 61 dollars, then the Rozle International Limousine charges 73 dollars. So, these are the rates which are being charged, which are below that hired by Air India. But let me cite you the other ones. This Goldcrust Transport charges 81 dollars, the Manhattan International charges 93 dollars. The Bermuda Limousine charges 104 dollars, the Symp Limo charges 150 dollars, and Platinum Limousine charges 157 dollars. So, it varies. Of course, the Company is the same. But it varies from 48 dollars to 157 dollars, whereas, as far as Air India is concerned, we have hired a particular company to whom they have to pay 77 dollars. So, we are in the centre, not the lowest, not the highest. So, this has been done, keeping the middle path, as we have always been doing.

It is neither Leftist, nor Rightist, but it is Left-of-the-Centre. This is the policy. Therefore, this is what we have done here.

I would like to mention to the hon. Member here that there is no contract with this particular agency. This can be terminated or cancelled at any moment. Therefore, there is no problem.

SHRI VIREN J. SHAH: Mr. Chairman, Sir, in reply to part (c) of my question, the Minister has said: "No, Sir. Such decisions are taken by Air India on commercial consideration'. But kindly see my question—part(c). I had asked: "whether it has been brought to the notice of Government that Carey Limousine N.Y. Inc. charge Air India 75 dollars per trip for this service from New York City to JFK Airport'. Compare it with reply given. I would suggest that there is a need to be a little more clear while replying to questions.

Now, if you take Platinum Transport Company and Bermuda Transport the

limousines they provide have television sets and bars and nine people can be accommodated. We are comparing a Rolls Royce with an Ambassador. This is not even the middle path. It is certainly at a higher level. Therefore, the Minister would do well to look, into this high rate.

Sir, my second supplementary is, in the context of the very stiff international competition which Air India faces—the other airlines also face such a competition—the hon. Minister is aware of this—what are the specific steps the Government and Air India are talcing to reduce the cost and improve the service? Please do not say generally. You should indicate the specific steps being taken. What are the specific steps being taken? To help Air India function in a commercially competitive manner, would the hon. Minister consider reducing the interference, the avoidable interference, by the Ministry and allow Air India to function as a commercial organisation?

SHRI GHULAM NABI AZAD: Sir, the hon. Member is contradicting himself. In part (c), the hon. Member had asked: 'whether it has been brought to the notice of Government..'. The hon. Member says that this has not been replied to properly. He had asked: 'whether it has been brought to the notice of Government that Carey Limousine N.Y. Inc. charge Air India 75 dollars per trip..' My answer is exactly in relation to what the hon. Member had asked. I have said: "No, Sir. Such decisions are taken by Air India on commercial consideration'. Therefore, I have said that this is not the job of the Government; it is for Air India. But on the other hand, the hon. Member says that we should not interfere. So, the hon. Member wants me to interfere.

SHRI VIREN J. SHAH: I am not saying that. Now, please answer my second supplementary, the substantive part.

SHRI GHULAM NABI AZAD: Sir, I know that he is a frequent traveller by Air India. He is a big customer of Air India. Air India people have a great regard for the hon. Member. He has been travelling all along by Air India. We are making efforts. I do agree with the hon. Member. On the part of the Government, we do not interfere with the day-to-day affairs. We confine ourselves only to the policies. In this case, I would like to assure the hon. Member that I would get this examined. If there is anything wrong with this, if it is on the higher side, I would definitely get it examined and get back to you.

Then, as far as the service and product by Air India is concerned...

SHRI VIREN J. SHAH: Competitiveness.

SHRI GHULAM NABI AZAD: We are trying our best to improve the service. We have taken a number of steps. Our problem has been in regard to the on-time performance. We are trying our level best to improve the on-time performance. There are some areas. For example, we have the Gulf area. I would like to point out here. I had visited the Gulf area. Our Gulf passengers have said about it. The problem is that the in-flight service is poor and the on-time performance is very poor. Immediately, I had to rush no less a person than the Commercial Director to the Gulf area. I have directed them that they should put one officer of a senior level to monitor the in-flight service and the on-time performance in the Gulf area. As far as improving the product in in-flight service is concerned, I think you will appreciate that both in the Indian Airlines and Air India, the in-flight service has improved tremendously in the past one year. Apart from that, we have also pressed into service, four 747-400 aircraft. I do not know, you must have travelled by it. Unfortunately, though I am the Civil Aviation Minister, I have not been able to travel in that aircraft as yet. This is one of the best aircraft, and last year we acquired all these four 747-400 aircraft. Besides these four 747-400 aircraft, may be, by 1996 we will have another two 747-400 aircraft. So, we are trying to have aircraft of a new generation. By having aircraft of anew generation and also having a good product, we are trying our best to perform well in the case of on-time performance and in-flight service, and I am sure that in the coming days we will be doing very well.

Last year we were making a profit of Rs. 1 crore per day. I have been told, about a week back, that we are making a profit of Rs. l.S crores per day, of course, on good days. There are some bad days also.

SHRI P. UPENDRA: Bad days are more or good days are more?

...(Interruptions)...

श्री प्रमोद महाजन: सभापति जी, डेढ़ करोड़ प्रतिदिन लाभ लेने वाली इतनी बड़ी कम्पनी को 20-25 डॉलर का प्रतिदिन का घाटा कोई खास हर गाड़ी के पीछे न लगता हो लेकिन इस विषय में और इस संदर्भ में मैं एक और प्रश्न जोड़कर पूछना चाहूंगा कि जहां तक मंत्री महोदय ने यह कहा है कि ''ग'' का मेरा उत्तर ठीक है, मैं नम्रतापूर्वक निवेदन करना चाहूंगा कि उनका उत्तर ठीक नहीं है। उनसे यह नहीं पूछा गया था कि क्या यह निर्णय लेने से पहले एयर इंडिया ने आपसे पूछा था, उनसे केवल ''ग'' में इतना पूछा था कि क्या सरकार का ध्यान इस ओर आकर्षित किया गया है कि ये 75 डॉलर लेते हैं? ऐसा प्रश्न जब भी संसद में पूछा जाता है, कभी सरकार यह नहीं कह सकती कि मेरा ध्यान आकर्षित किया नहीं गया है, सरकार को तो यह कहना ही चाहिए क्योंकि कम से कम प्रश्न से तो ध्यान आकर्षित होता है। मैं केवल इसमें एक प्रश्न यह पूछना चाहूंगा कि ''ख'' में हमने यह पूछा था कि इस प्रकार की सेवा लेने के लिए क्या प्रतिस्पर्धात्मक प्रस्ताव आमंत्रित किए गए थे और उसमें से जो सर्वोत्तम पेशकश थी, क्या उसको स्वीकार किया गया था यह मनमाने ढंग से एयर इंडिया ने अपने को जिसकी सेवा चाहिए उसका निर्णय किया था? तो सिद्धान्त रूप में जब एयर इंडिया इस प्रकार की सेवाएं लेती है-वह गाड़ी की हो, इनफ्लाइट्स सर्विस की हो, ऐसी सेवा लेते समय क्या वह प्रतिस्पर्धात्मक प्रस्ताव लेकर निर्णय करती है या अपने आप स्वयं निर्णय करती है? यह महत्व का मुद्दा है और इस दृष्टि में एयर इंडिया की नीतिगत स्थिति क्या है? इसके साथ जोड़कर मैं एक और प्रश्न पूछना चाहूंगा...

MR. CHAIRMAN: Please conclude now.

श्री प्रमोद महाजन: मैं एक प्रश्न पूछना चाहूंगा जो एयर इंडिया से संबंधित है कि एयर इंडिया के मुनाफे को ठीक रखने के लिए क्या सरकार ने इन दिनों जो विदेशी कम्पनियां है, जो रियायती दरों पर सेवा भारतीयों को दे रही हैं, क्या डी.जी.सी.ए. ने इन पर प्रतिबंध लगाया है कि ये किसी प्रकार की रियायत कस्टमर्स को दे नहीं सकतीं और उनको किसी प्रकार की रियायत से वंचित करके कस्टमर्स का टिकट बढ़ाने का काम आखिर सरकार ने इस प्रतिस्पर्धात्मक नीति में क्यों किया है?

श्री गुलाम नबी आजाद: सर, जहां तक ''सी'' और ''जी'' का संबंध है, माननीय सदस्य ने कहा है कि ''सी'' में यह बताया गया था कि आपके ध्यान में, हमारे ध्यान में तो पहले जब सदस्य जी ने लाया तभी लाया, उससे पहले नहीं था, तो जाहिर है कि सदस्य जी का ध्यान हम आम ध्यान में नहीं ला सकते हैं उससे पहले। जहां तक आपने बताया कि ''बी'' सवाल का प्रश्न है, इसमें बिड्स हुए हैं, हुए हैं, या नहीं हुए है, उसके उत्तर में हमने कहा है कि competitive rates were ascertained, scrutinized and negotiated.
नहीं। बता रहे हैं।

श्री प्रमोद महाजन: सीधा पूछा था, ''हां'' या ''नहीं'' कहते।

श्री गुलाम नबी आजाद: हमने बिड्स को न करके उसका उत्तर दे दिया है कि उसके लिए स्क्रुटिनाइज़ किया गया है, नैगोशियेट किया गया है और मैंने आपको 8 या 9 लिमुजीन कंपनीज़ के नाम भी बता दिए हैं....(व्यवधान)

SHRI PRAMOD MAHAJAN: Open bids... *(Interruptions)*

SHRI GHULAM NABI AZAD: No, not at all. ...*(Interruptions)*

That is right. ...*{Interruptions)*

THE LEADER OF OPPOSITION (SHRI SIKANDER BAKHT): That is one thing, and following the course of bids is another thing. What was it? Was it merely ascertaining or were you following the course of bidding?

SHRI GHULAM NABI AZAD: If you read this, I have said, "ascertained, scrutinised and negotiated." These three things are there. ...*(Interruptions)*

So, it was ascertained, scrutinised and negotiated. This is the reply. So, that is right.

मैंने दूसरा भी आपको बताया है कि अगर इसमें कोई आपत्ति है तो हम इसकी इंक्वायरी करेंगे क्योंकि यह लोकल लेवल पर वहां किया जाता है इसलिए मैंने माननीय सदस्य को बता दिया है कि हम इसकी पूरी जानकारी करेंगे। अगर इसी टाईप की लिमुजीन इससे कम दामों पर मिलती है तो हमें कोई आपत्ति नहीं है।

SHRI SIKANDER BAKHT. Tenders should be called. A simple course of bidding should be followed. That is the point.

श्री गुलाम नबी आज़ाद: उसका एक मैं आपको दूसरा कारण भी बता सकता हूं जिसकी वजह यह है कि यह सुविधा 9 जगहों पर दी जाती है। यह जो पर्टिकुलर कंपनी है, यह कंपनी 9 देशों में अपनी सुविधा देती है-टैरंट्रे में,

फ्रैंकफर्ट में, जेनेवा में, पेरिस में, रोम में, मास्को में, बैंकाक में, हांगकांग में और सिंगापुर में लेकिन इसका एक ऐडवांटेज है जो दूसरी लिमुज़ीन कंपनीज़ का नहीं है, वह यह है कि इन 9 के 9 देशों में इनकी एक डी ड्रेस है और जब हमारा कार्ड-होल्डर जाता है और वह ड्रेस वाला कार्ड लेकर बैठता है तो उसे मालूम है कि बैंकाक में इस ड्रेस का आदमी होगा, हांगकांग में इस ड्रेस का होगा।

श्री प्रमोद महाजन: एक ड्रेस वाली और कोई कंपनी नहीं है दुनिया में? और कोई नहीं है?

श्री गुलाम नबी आज़ाद: इसमें यही है जो कर रही है...(व्यवधान) तीसरा पार्ट आपके प्रश्न का था कि डी.जी.सी.ए. ने क्या ऐसा कोई आर्डर किया है जिसमें विदेशी कंपनियां जो भारत में आती थीं और भारत से विदेशों में जाती थी और कम दाम उन्होंने रखे थे, इस पर डॉयरेक्टर जनरल सिविल ऐवियेशन ने उनको मना किया, यह हकीकत है लेकिन उसके पीछे यह धारणा है कि जिस वक्त डॉयरेक्टर जनरल सिविल ऐवियेशन के सामने उनको रेट्स फाईल करने होते हैं, एयर–इंडिया को भी फाईल करने होते हैं, जो भी विदेश से हमारे देश में एयरलाइन आएगी उसको अपना रेट भरना होता है और किन रूट्स पर चलना है, यह भी भरना होता है। तो डॉयरेक्टर जनरल सिविल ऐवियेशन को जो उन्होंने रेट्स भरे थे, वह रेट्स वह चार्ज नहीं करते थे।

श्री प्रमोद महाजन: कम करते थे।

श्री गुलाम नबी आज़ाद: रेट एक भरते थे और चार्ज दूसरा करते थे, कम करते थे, तो डॉयरेक्टर जनरल सिविल ऐवियेशन ने उनको बताया कि यदि आपको कम चार्ज करने हैं तो आप वही रेट भरिए। यह गलती है क्योंकि कानूनन यह गलत बात है कि आप दिखाएंगे एक भर के और चार्ज दूसरा करें। इसलिए उन्होंने उनको बताया है कि यदि आपको कम रेट लेने हैं तो आप वही रेट भरिए। आप भरेंगे एक और चार्ज करेंगे दूसरा तो

this is not in tune with the law. That is the reason.

श्री प्रमोद महाजन: ये सब करते हैं।

श्री गुलाम नबी आज़ाद: सब करते हैं तो सभी को किया है।

श्री प्रमोद महाजन: सभी को करने से आपने कस्टमर को तो नुकसान ही किया है... (व्यवधान)

SHRIINDERKUMAP GUJRAL: It is very strange... *(Interruptions)*

MR. CHAIRMAN: Please. We cannot have an argument like this. I am calling Dr. Ashok Mitra.. .*(Interruptions)*

श्री गुलाम नबी आज़ाद: अगर कोई चोरी करेगा तो उसको कहेंगे कि...(व्यवधान)

MR. CHAIRMAN: Mr. Gujral, I will call you later. Dr. Ashok Mitra... *(Interruptions)* Please, let us have clarifications by way of question and answer.

SHRI ASHOK MITRA: Sir, I quite appreciate that Air India will have to offer certain services which are luxurious to those who travel by the Maharaja Bus. But the question still remains as to who will set the standards. If a $35 dollar fare trip is good enough for a Maharaja like my good friend, Shri Viren J. Shah, why should it not be equally comfortable for those others who travel by the Maharaja Service? Let us not forget some facts. The United States has a per capita income of $35,000 dollars and our per capita income is less than $350. So, we cannot afford to throw away money. It is altogether a different matter if, Mr. Minister, you try to tell that since the American economy is in a deep recession, we have to subsidise that.

SHRI GHULAM NABI AZAD: What is the question?

SHRI ASHOK MITRA: The question is who is to set the standard.

MR. CHAIRMAN: If Mr. VirenJ. Shah can travel in a $35 Limousine, why not another Maharaja Man? This is the question.

SHRI GHULAM NABI AZAD: Sir, I think he has to share some of the companies and Mr. Viren Shah will... *(Interruptions)*

SHRI VIREN J. SHAH: Do you want me to sue Air India?

MR. CHAIRMAN: Obviously, there are other services between New York and other airports.

SHRI INDER KUMAR GUJRAL: I am referring to what the hon. Minister said just now about the under-cutting and lower rates. It is a fact. Thanks to the liberalisation policy, which is being followed, competition is allowed. Competition means benefit to the consumer. And if in the competition some airlines are reducing the fares. I am surprised that the Minister calls it a theft! Whereas everywhere in the world today

there is competition. It is much cheaper to travel from America to India than to travel from India to America. Why does he not let the fares go down in competition and why does he want Indians to pay more?

SHRI GHULAM NABI AZAD: Sir, I think the hon. Member has not understood me. Let us not connect the theft with this. I said if somebody steals something and you say that he is... *(Interruptions)*

SHRI INDER KUMAR GUJRAL: He is not stealing.

SHRI GHULAM NABI AZAD: I have said that they are free to do so, but then they should not file something else with the DGCA. It is just that you will file with the DGCA that one is going from Bombay to Delhi and you go *via* Calcutta. So you have to file the same thing. *(Interruptions)* So, as far as our rules are concerned, whatever rates they file with the DGCA, they will have to charge the same from the passengers.

SHRI PRAMOD MAHAJAN: They are charging this. Why should you object?

SHRI GHULAM NABI AZAD: Then he should also file the less fare.

SHRI PRAMOD MAHAJAN: What difference does it make for you?

SHRI INDER KUMAR GUJRAL: On the one hand, it is the policy of the Government to have free market, free competition, free everything. Of course, I do not agree with some parts of it. Then why these rules? Why do you refuse? Let these many airlines come in. They are coming in. If you let them compete, they will compete. If they compete abroad and they sell cheaper, why do you insist that a particular line must be followed and you force them to charge more? That is the end result of what you are saying now despite whatever you say in a different way.

SHRI PRAMOD MAHAJAN: He wants the Air India to be profitable the cost of the passengers.

SHRI GHULAM NABI AZAD: Nobody stops them from selling the cheap tickets, but they should also file (he cheap rates.

SHRI INDER KUMAR GUJRAL: Why should they file? What is the logic of filing?

SHRI PRAMOD MAHAJAN: These are the strange rules of the DGCA!

SHRI RAJNI RANJAN SAHU: Sir, let us have a half-an-hour .discussion on this.

डा. जगन्नाथ मिश्र: सभापति महोदय, जो प्रश्न मैं पूछना चाहता था, उस का उत्तर तो मंत्री जी ने दे दिया है। मैं जानना चाहता था कि विभिन्न दरों में ऊंची दर वालों के साथ अनुबन्ध क्यों किया गया? किस तरह से, किन परिस्थितियों में यह समझौता किया है...(व्यवधान)

MR. CHAIRMAN: Then you need not ask.

डा. जगन्नाथ मिश्र: इसका कारण क्या है? नीची दर रहते हुए ऊंची दर वालों के साथ अनुबन्ध किया गया है (व्यवधान) लोअर प्राइस होने के बावजूद हायर प्राइस कोट करने वालों के साथ समझौता क्यों हुआ? यह मैं जानना चाहता हूं।

श्री गुलाम नबी आज़ाद: यह आप लिमुज़ीन की बात कर रहे हैं? लिमुज़ीन करे मैंने इसलिए बताया कि जो क्लास, ये सब आदमी जो तीन किस्म की कैटेगरीज़ है। यहां तो एक इकॉनॉमिक क्लास है, एक उसके ऊपर क्लास है, एक फर्स्ट क्लास है। वो फर्स्ट क्लास वाला उस छोटी क्लास में नहीं जाना चाहेगा। आप उसको कहेंगे उसके स्टैण्डर्ड के हिसाब से जाना चाहिए, उसको नीचे का क्लास नहीं देंगे।

Delicencing of Industries

*344. SHRI BHUPINDER SINGH MANN: Will the PRIME MINISTER be pleased to state:

(a) the number of industries delicensed during the last one year;

(b) the number of industries yet to be delicensed;

(c) by when the remaining industries will be delicensed;

(d) how many industries based on agriculture for supply of raw material were delicensed;

(e) the details of remaining industries; and

(f) by when such industries will also be made free from licenses?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) and (d) None.

(b) 16 categories of industries.